

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

LARGE MINING OPERATIONS 2015 PROGRESS REPORT

January 1, 2015 to December 31, 2015

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: *M/035/0011*
2. Mine Name: *Copperton Concentrator*
3. Name of Operator/Permittee: *Kennecott Utah Copper LLC (KUC)*

Note. If Operator's address, company representative or phone numbers have changed, please provide a replacement page for the Notice of Intention

4. Mine Location:
Section 31, Township 1 S, Range 2 W;
Sections 6, 7, 8, 16, 17, 21, 28, 29 & 32 Township 1 S, Range 2 W;
Sections 5, 6, 7 & 18, Township 3 S, Range 2 W
5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined	38,394,409	<i>Tons of ore was milled</i>
Waste Material Moved	37,859,320	<i>Tons of tailings</i>
	<i>(Copperton Concentrator only)</i>	
New Disturbance	2	<i>Acres during 2015</i>
Area Reclaimed	0	<i>Acres during 2015</i>
Total Disturbed Area	352	<i>Acres*</i>

**Total mine disturbance beginning of mining operations through the end of 2015.*

Was the ore shipped off site? If not, where is the ore located?

No ore was shipped off site. Ore from the mine was crushed and copper and molybdenum concentrate was produced. Copper concentrate was piped to the smelter for further processing while molybdenum concentrate was dried, bagged and transported off site for further processing.

Where is the waste located?

All tailings generated were piped to the North Tailings Impoundment for disposal under DOGM permit M/035/0015

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

No reclamation activities in 2015.

7. **Include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with Rule R647-4-105.

Surface disturbance consisted of approximately 1.5 acres disturbance associated with the installation of a fence and 0.2 acres associated with access road construction/enhancement activities near the B&G Railroad grade. *No reclamation activities were performed in 2015. See attached figure: Copperton Concentrator M-035-011 2015 Disturbed and Reclaimed Areas.*

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Steve Schnoor

Title of Operator: Manager – Environment, Land, and Water

Signature of Operator: _____



Date: **January 29, 2016**

pb

O:\FORMS\reports\MR-AR-LMO2008.doc

Attachment A

Title:

Update of Mining Activities Related to Copperton Concentrator Operations (M/035/0011)

Context:

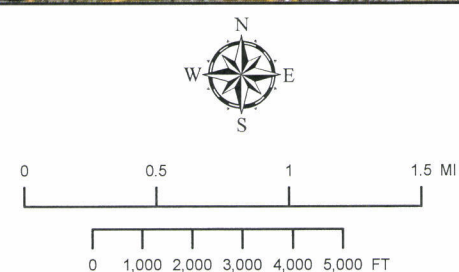
The division has been briefed in various capacities throughout the year regarding new and/or continued mining activities related to the Copperton Concentrator operation.

Purpose:

The intent of this update is to provide the division with a brief summary of mining-related activities completed or ongoing throughout the year.

Summary of Activities (not covered under Form MR-AR):

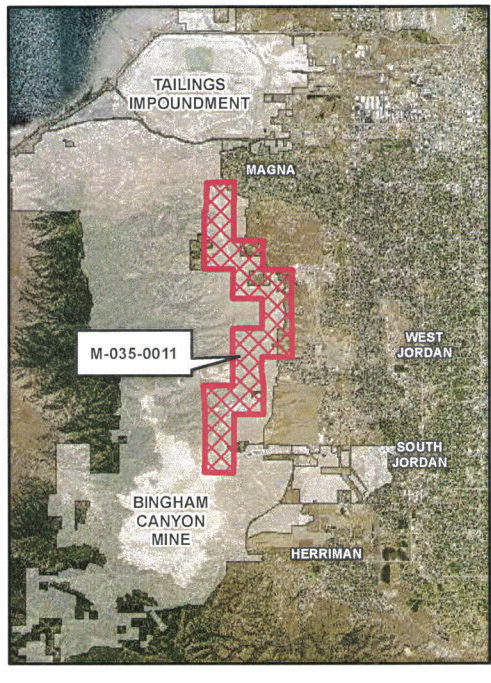
- The Microhammer project is discontinued. Facilities are to be decommissioned or used for other mining purposes.
- Operation at the Ore Sorter is discontinued. Facilities are to be decommissioned or used for other mining purposes.
- Operation of the moly circuit has been suspended temporarily.
- Other mining-related activities during 2015 include structural improvements to the NaHS Tank, to the Floatation Plant, and to the Grind Plant Cyclones.



LEGEND

CONCENTRATOR M-035-0011
NEW DISTURBANCE [1.65 AC]

SITE MAP



**COPPERTON
CONCENTRATOR
(M-035-0011)**

Knee Weaker
6840 Feet

Mahogany Hill
6815 Feet

Twin Knolls
5400 Feet

Curry Peak
7466 Feet

West Jordan

Ron Wood
Memorial

**Welby
Park**

Jordan Pk

Rio Tinto

Kennecott Copper

DATE: 1/27/2016 3:01:24 PM
 CREATED BY: TERESA COCKAYNE
 PATH: \\USSSLCAP17\GIS_PROJECTS\2016\20160126_DOGM_REPORT\DOGM_CONCENTRATOR_M0350011.MXD
 COORDINATE SYSTEM: NAD 1983 STATEPLANE UTAH CENTRAL FIPS 4302 FEET

~~DIV. OF OIL, GAS & MINING~~

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FEB 4 2016

COPPERTON CONCENTRATOR M-035-0011

2015 DISTURBED AND RECLAIMED AREAS

M&RP	PLANT	AREA / PROJECT	2015										Additional							
			Planned ^{1,3}																	
			BAT	Experimental	Demolition	Status	% Complete				\$ Expenditure ²	BAT	Experimental	Demolition	Status	% Complete				\$ Expenditure ²
Q1	Q2	Q3					Q4	Q1	Q2	Q3						Q4				
M/035/0002	Bingham Canyon	South End Dumps	(1) Maintain/Enhance Storm Water Controls in newly-constructed basins. (2) Remove top soil/growth media from several of the drainages associated with the South Dumps. (3) Place additional mine waste rock at the base of the South Dumps to address past storm water issues.				(1) 35% (3) 25%	(1) 70% (3) 50%	(1) 90% (3) 75%	(1)100% (2) 0% (3) 100%	\$ 721,510					(1) 25% (2) 25%	(1) 50% (2) 50%	(1) 75% (2) 75%	(1) 100% (2) 100%	
M/035/0002	Bingham Canyon	Store and Release Cover (Keystone)		(1) Continue to collect meteorological and infiltration data from control site (2) Decommission Keystone Control site according to Mine Plan			(1) 25%	(1) 50%	(1) 75%	(1) 100% (2) 100%										
M/035/0002	Bingham Canyon	Reclamation Quality Assessment and Program		(1) Enhance mapping of reclaimed areas (2) Field verification/inspection of 80% of reclaimed areas (3) Field testing of statistical methodology for success and failure				(1) 10% (2) 50% (3) 40%	(1) 40% (2) 100% (3) 40%	(1) 100% (2) 100% (3) 100%										
M/035/0003	Bingham Canyon	East Waste Rock Expansion		(1) Salvage and stockpile native soils associated with the planned placement of additional waste rock at the base of the East Dumps (2) Place additional waste rock at the base of the East Dumps.			(1) 25%	(1) 50% (2) 0%	(1) 75% (2) 50%	(1) 100% (2) 100%	-									-
M/035/0002	South Tailing	Noxious Weed Treatment	Spot treatment for noxious weeds					50%	100%	100%										
M/035/0002	South Tailing	Enhancement of Existing Reclamation	Reclamation treatment and monitoring of 50 acres on the South Impoundment that was previously disturbed by a fire. Various test plots were established.					50%	75%	100%										
M/035/0002	South Tailing	Various Test Plots & Established Vegetation at the South Tailings Impoundment and Various Facilities		Vegetation Monitoring (1) Various test plots associated with South Tailings and various facilities (2) Vegetation condition monitoring across property (native and reclaimed)			(1) 20% (2) 25%	(1) 30% (2) 50%	(1) 30% (2) 75%	(1) 20% (2) 100%										
M/035/0009	Barneys Canyon	Closure Activities	Includes Engineering/Design of reclamation and closed facilities, surveying, decommissioning, storm water control during closure, monitor well installation, seep water capture and conveyance, maintenance of site during closure.		Decommissioning of facilities.		5%	20%	35%	100%	\$ 3,101,960						(1) 0% (2) 0%	(1) 75% (2) 0%	(1)100% (2) 100%	\$ 1,209,308
M/035/0009	Barneys Canyon	Noxious Weed Treatment	Spot treatment for noxious weeds					(1) 50% (2) 50% (3) 50%	(1) 100% (2) 100% (3) 100%	(1) 100% (2) 100% (3) 100%	\$ -									
M/035/0011	Concentrator	Noxious Weed Treatment	Spot treatment for noxious weeds					50%	100%	100%										
M/035/0015	North Tailing (Kennecott Utah Copper Tailing)	Reclamation of North Slope and East Abutment	Reclamation of 68 acres along the North Slope W21-E22 and East Abutment				0%	5%	90%	5%	\$ 2,723,270									
M/035/0015	North Tailing (Kennecott Utah Copper Tailing)	Reclamation Maintenance	Placement of secondary fertilizer on 44 acres on the North Impoundment. Apply biosolids and wood chips to 27 acres along the east abutment, treat 19 acres with limestone on the north slope.				40%	40%	0%	20%	\$ 30,670									
M/045/0004	Carr Fork, Pine Canyon	Entire	None currently planned																	

¹ 2015 Board Presentation and/or 2015 Reclamation Activities Plan
² Expend a minimum average, of \$50,000 – 1978 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.
Mine BAT/Rec includes rental, maintenance and operation of equipment, seed/seedling, fertilizer/mulch/limestone application and purchase,
³ Information incorporates GHG reclamation activities assessment

Kennecott Utah Copper
4700 Daybreak Parkway
South Jordan, Utah 84095
801-204-2128 (o)
801-569-7192 (f)

Steve Schnoor
Manager – Environment, Land, and Water

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DIV. OF OIL, GAS & MINING

January 29, 2015

Mr. Paul Baker, Minerals Program Manager
Division of Oil, Gas & Mining
Utah Department of Natural Resources
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Ms. Leslie Heppler

**Re: Large Mining Operations 2015 Annual Report
January 1, 2015 to December 31, 2015
M/035/0011 Copperton Concentrator**

Dear Mr. Baker:

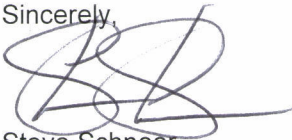
Please find attached Form MR-AR for permit number M/035/0011, Copperton Concentrator.

Please find the attached KUC document UDOGM Annual Reporting Register through Q4 2015.

KUC is also providing updated information regarding mining activities performed in 2015 (Attachment A) not specifically addressed on Form MR-AR for M/035/0011.

If you have any questions about these annual reports, please contact Trevor Heaton at 801-563-1514.

Sincerely,



Steve Schnoor
Manager – Environment, Land, and Water